

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN**

April 28, 2003

6:00 PM

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance, this function being led by Alderman Thibault.

The Clerk called the roll.

Present: Aldermen Wihby, Guinta, Sysyn, Osborne, Pinard, O’Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Absent: Alderman Gatsas

Mayor Baines advised that the purpose of the special meeting is to discuss the design/build project for the schools.

On a motion of Alderman Sysyn, duly seconded by Alderman O'Neil, it was moved to discuss the design/build project for the schools.

Mayor Baines stated we now move to a presentation and ask Leslie Stewart the Vice President of the School Board, Tom Donovan the Chairman of the Finance Committee, and Superintendent Ludwell to please come forward and make a presentation.

Leslie Stewart stated over a quarter of a century ago I joined the work force in Manchester, NH and nineteen years ago my family moved here so that our son could start first grade in the Manchester public schools. About eight years ago I joined the Board of School Committee and the reason I’m telling you this story is because they’re all related and they’re related in one way. Manchester is a community that puts children first and we’ve always done that. From Little League teams to theatre events, to schools, and everywhere in between, Manchester has always been a family community and it’s one that I’ve been very proud to be part of. For the past four years our Board has worked very hard and planned for these school improvements and renovations that we’ve been talking about. Now all the pieces are in place for educational excellence in Manchester. We’ve got the dedicated, enthusiastic faculty, experienced, creative, professional staff, a hard working board, a community of over 17,000 young learners who will thrive in a positive learning environment and the family system and structure in place in our community to support this. In my widest dreams I never thought that I’d be sitting here before you full of optimism and excitement for all of our community and the educational opportunities we have before us. This is the moment. It’s the time. The momentum and the moment are in rime and I’m asking you on

behalf of the Board of School Committee and the children of Manchester, NH give us this moment. I'd like to turn this over to Tom Donovan our Finance Chair. Thank you.

Tom Donovan, Chairman of the Finance Committee, stated members of the Board of Mayor and Aldermen you have heard over the past few months many presentations about numbers about this project and I'm not going to bore you tonight with specific numbers. Let me just say that if you approve the bond tonight the debt service for that bond will become the financial obligation of the School District. We will pay that year after year. We on the School Board are well aware of that responsibility. It's on our shoulders. We've examined the repayment schedule and we have concluded that it is very affordable for us to pay for the schools over the next couple of decades and we think it's affordable for several reasons. 1. We have long-term agreements with the three surrounding towns, which means for the first time they will contribute something to capital costs for additions and renovations to our high schools. 2. Interest rates are at record lows, which means that the total capital cost and interest cost to the District will fit into an upcoming trough in our debt payment schedule so that we do not have to go above the \$9 million or so currently that we're paying out of our operation budget every year to cost. That makes it affordable without increasing the tax rate. 3. We've examined the operating costs that will result from these renovations and additions. We've seen modest increased operating costs which will result from the additions, but that will be offset by the reduction in mobile classrooms, portable classrooms, and also by the energy savings we're going to enjoy from having better heating, ventilating, air conditioning systems, no air conditioning, better windows, better roofs, all of those things. 4. We're going to get this done in record time. Out of 22 schools that are going to be renovated, we will have 17 of them done in just over two years, so that our school children, by the time they start school in September of 2005, will have new schools, renovated schools to attend. Now God willing, my son will have been graduated the prior June of 2005, so he won't have the opportunity to use them, but I'm thinking about the generations of children to come in Manchester who will get the benefit from these additions and renovations. On behalf of them, I ask for your vote tonight. Thank you.

Superintendent of Schools Dr. Ludwell stated thank you for the opportunity to speak on behalf of the design/build project and what it means to the future of education in the City of Manchester. First and foremost, let me say without hesitation, that the Manchester City schools currently are and have been for some time suffering from extreme overcrowding. Especially at the secondary level. If one looks at the recommended capacities at our three high schools, you will find that they range from 450 to 650 over recommended capacity. We are anticipating as many as 230 additional students at the high school level coming up from the middle schools. The problem is only going to get worse. It will not get better. Secondly, the project will give the City of Manchester a catch up opportunity, if you will, to redress a multiplicity of issues from leaky roofs to HVAC concerns. And finally, I think it's important to point out that the administration wants and expects our schools to be on the vanguard of educational improvement and innovation. We want and expect our schools to

be the envy of the State and beyond, and what better way to implement that vision than by restoring our school buildings to their original luster. Thank you very much.

Mayor Baines stated I'd like to ask Frank Thomas and Tim Clougherty to come up and just give an update on the design/build from their perspective and offer comments to the Board.

Frank Thomas stated I will keep this very brief. I just wanted to relay on a few facts and personal comments. First of all, this design/build finance process that we went through that was utilized for the school procurement, I firmly believe has been very, very successful. We have obtained both creative and cost saving ideas on our proposed additions, our proposed renovation work, and on the financing of the project. Negotiations that have taken place after we received the total cost have greatly reduced our exposure by clarifying all eliminating conditions that were associated with the guaranteed maximum price. But we have done our due diligence on this project. As a lot of you know, I've been with the City for over 30 years now. I again firmly believe that this school project is the most beneficial and cost-effective public works project that I've seen over this 30-year period. In addition, this work as mentioned, the majority of it is going to be accomplished over a two-year period. Again, stop and think about it. Stop and think of the amount of work and the benefit that's going to be realized in this short period of time. I have never seen anything like it. The bottom line is, we're at a critical juncture here tonight. If we delay this project, it's going to cost the City of Manchester millions of dollars. It's going to cost millions of dollars in inflationary costs because, quite frankly, we're not going to be able to go to construction this season. In addition, as mentioned, we are at an all time low interest rate market. That's not going to continue. Six months, nine months, a year from now, those interest rates are going to go up and they are going to be a direct reflection on the cost of this project. There's been some discussion regarding oversight of this project. I think this project can have the proper oversight through the Joint School Building Committee, that is shared equally by School Board members and the Board of Mayor and Aldermen. In addition, with this committee the representation can be expanded so that there can be more board members to sit on this committee to provide the oversight. The oversight, the actual working of the project, is going to be done by the Public Works Department. I think, to my right is Tim Clougherty, that I think everybody has come to realize is an asset to the City and is going to make sure the project moves along satisfactorily.

Tim Clougherty stated just to expand a little bit on what Frank had mentioned regarding the time schedule. There's been a lot of talk about maybe we can put the vote off a couple of weeks here or there. At this point we've put the vote off further than we wanted to in the beginning. Gilbane sits behind me I know very apprehensive in anticipation of such a vote and Lavalley-Brensinger probably even more so. While the couple of weeks we've delayed it may seem inconsequential, or a couple more weeks may seem inconsequential, the fact of the matter is that the majority of the project schedule is going to be accomplished over three summers. By cutting down on the time frame in delaying the vote any further, what we're

essentially looking at is eliminating design time. Between now and when school gets out in the middle June, we've only got six weeks. If we delay it a couple of more weeks, we're down to four weeks. So we just reduced the time by 33 percent. The design time is directly correlated to the amount of construction that can be done during any one summer. Right now we're looking at a real situation where we're going to have difficulty if the vote is delayed at all for getting any meaningful amount of work done this summer. Which means directly that the end of the project is going to bump out another year. Now, we're not saying this from our department has no political gain or anything like that. We're looking at it strictly from a construction perspective. It's reality. That's what's going to happen.

Mr. Thomas stated construction and cost point of view. Again, if inflation causes this project to go up three percent in a year, \$3 million. Interest rates again, the impact of interest rates on this project. Therefore, we urge you to favorably consider this project when you vote here tonight.

Alderman Thibault stated Your Honor looking back in the last 25 or 30 years at our school maintenance, which certainly has been at best a disaster, without a doubt. Looking forward to our School Board who has brought out a program that to me makes sense. Here's a chance for our City to go out and do something that maybe other cities have never done. I'd have to give Tim a lot of credit for helping to put this together and Frank to bear to put this together and take the time that it took to get this together. What are we all doing here on the Board of Mayor and Aldermen? We are supposed to be here to try to better what the life is going to be for the citizens of Manchester in the future. Who are our citizens? It's our kids. I really have to applaud, really, what you people have done with putting this together and I think that maybe the thing that even helps me to help that, is to see that our Finance Department is saying yeah, this is all right. These are the people that we hire here in our City as being the people that know how to get things done, and we're going to sit here tonight and question them? I'm not. I want you to know that. This is something that I think the City of Manchester has needed for 25 or 30 years. This is the first time it's ever come up and I'll support it one thousand percent.

Mayor Baines stated if we need a recess here or something, I'd like to get some focus because the next presentation is going to be the Finance Department.

Alderman O'Neil stated for Frank or Tim, do we know that if we approve this tonight, Gilbane will hold to the price as quoted?

Mr. Clougherty replied yes they will. We actually have a contract ready to execute.

Alderman O'Neil asked any delays after tonight, there can not be that assurance that the price will hold? Is that a true statement?

Mr. Clougherty replied I think that's absolutely true.

Alderman Lopez stated Tom Arnold, there's been some questions in reference to the protest. Are you comfortable that all the bidding procedures of the Solicitor's Office has been complied with in the City of Manchester?

Tom Arnold answered yes I am.

Alderman Lopez stated and the Finance Department, I think you'll get into a number later on. I think you're going to be making a presentation later on.

Mayor Baines stated why don't we move to the Finance presentation and we'll end up with more questions at the end. We are going to have a five-minute recess.

Mayor Baines stated I'd like to reconvene the meeting and ask Kevin Clougherty and Randy Sherman to report to the Board on various financial scenarios to deal with this situation this evening.

Randy Sherman stated the last time we were together on this issue Alderman Wihby and Alderman Guinta asked us to go back and look at a couple of scenarios. Mainly if you notice the bond resolution that's on the agenda is for \$110 million. The reason we were at \$110 is because we were looking to actually go through a process called capitalizing the interest, which allows us to borrow interest during the first couple of years during the construction phase, use those borrowings to pay the interest factor in that time period to kind of give a relief to the cash flow of the project. What the Aldermen asked us to do is go back and see what would happen if we took out that capitalized interest. Could we actually get the bond down to \$105 million? I've gone back, I've rerun the numbers and rerun the numbers and rerun the numbers. If we go down to \$105 million and take it from 25 years to 30 years, a number of things happen. One, it reduces your annual debt service every year by about \$600,000, and that's due to the fact that you've now taken it out an extra five years. It does add a little bit of interest to the bottom line, because again you've taken it out five years, but once you get out to that 30th year, you're only paying like \$2.4 million, and \$2.4 million 30 years from now really doesn't amount to a lot. But the consequence of doing that is it adds about \$764,000, and again that's based on today's interest rates, \$764,000 to the 2004 budget, and it adds about \$3.2 million of debt service to the 2005 budget. But it gets us I think where those two Aldermen wanted us to be. The other request that we had was to go back and look at the contingency fund and how that could be controlled, how the Aldermen could have some input in how that's being spent. The Solicitor has ruled that it comes down to it's really the Joint School Building Committee that has control over that. There's an equal number of Aldermen and School Board members on that Committee. It currently stands at three, there's really no reason that would prevent you from changing that number if you wanted to add two more Aldermen you clearly could do that, and then all of the

decisions are made within that Committee. That's where the authority statutorily resides. So I think we can take care of the concerns that Alderman 1 and Alderman 3 had relative to the financing. I guess the other thing that was brought up was, on the \$105 million resolution, if we wanted to do that, we would need to amend obviously the \$110 million down to the \$105 million. We've also been asked if within the resolution we could split out the \$105 million to clearly delineate the difference between the contingency and what was really being used for the capital, the hard dollars. If we wanted to do that, I've spoken to bond counsel, he has no problem with that. The contingency number is \$5.65 million and then the hard capital dollars would be \$99.35 million, for a total of \$105 million.

Mayor Baines asked if somebody wanted to amend it to reflect those figures, that would be the way to proceed with that recommendation?

Mr. Sherman replied yes. What we'd like to do is see those two numbers and then also specify in the resolution that it is for a total of \$105 million, not to exceed \$105 million. Because keep in mind some of those dollars, depending on where the interest rates are, the day that we sell these bonds, those numbers might fluctuate slightly, and we've got that cap of the \$105 million.

Alderman Wihby stated Randy we're going from the \$110 million to the \$105 million, and the way you make it sound is that we're actually lowering the project, but basically what we've done is got rid of, like moving the date forward and paying sooner, so we're just basically losing the interest that we're paying. True?

Mr. Sherman replied yes, you're saving some interest by doing it, because you are moving principal payments sooner and you're borrowing less, which obviously you're paying interest on that. And you're right, when it adds a couple million to the end, that's really a net number of what you've lost versus what you've added.

Alderman Thibault stated the \$105 million that you're talking about, is that going to be paid in 15 years or are we talking 20 years?

Mr. Sherman replied it's going to be a combination of years. The City portion of that, or the majority of the City portion, will be over 30 years. The sending towns portion of that would be over 20 years. They have a 20-year agreement so we want their debt service to fall within the term of that agreement.

Alderman Thibault stated I just want most of the Board to realize that most of the kids that are going to be into this, if this Board agrees with it, is that it will be 12 years they'll be into

this program before it's paid for. If I'm looking at this right. If we do this, the people that come into this next year, they'll be into this 12 years before the City pays it.

Mr. Sherman replied your losing me.

Mayor Baines stated actually it's going to be 30 years for the City.

Alderman Thibault stated what I'm saying is that the people that are starting school today...

Mr. Sherman interjected that's right. They'll be taxpayers 12 years from now and can pay for it.

Mayor Baines stated that's a very good point. And a number of them will have kids in the schools by then too.

Alderman Garrity asked Randy, who's paying for the interest on the high school additions?

Mr. Sherman replied the high school additions interest gets paid for by the sending towns.

Alderman Garrity asked what's that amount?

Mr. Sherman replied it's about \$14 million.

Alderman Garrity asked Randy, you said that Bedford's going to contribute towards ten years of the design/build in your earlier statement? Even though they're probably only going to stay three years.

Mr. Sherman replied yes.

Alderman Garrity stated let's say Bedford stays three years. To get to the ten-year contribution, what's their annual tuition going to be?

Mr. Sherman replied it obviously will depend on the number of students, by the \$11,000 that was in the Union Leader here... Well it will obviously depend on the number of students that they have in the system. But the \$11,000 number that was in the Union Leader is a good ballpark number.

Alderman DeVries stated Randy, if I just heard you throw out a couple of numbers when you were looking at the \$105 million rather than the \$110 million, you said in 2004 we're looking at an additional \$764,000 for interest payments?

Mr. Sherman replied that's correct.

Alderman DeVries asked and an additional \$2.3 million in 2005? Is that what I heard you say?

Mr. Sherman answered \$3.2 million

Alderman DeVries asked so what you're saying is that the current debt that is carried by the School Board, this is going to be in addition to, so you're now out beyond that trough that you designed the original plan for?

Mr. Sherman replied that's correct.

Alderman DeVries continued so this could be considered to be an impact now on the taxpayer, where previously there would have been no impacts, because we were planning this to replace current debt that they're paying?

Mr. Sherman replied it will either be an impact if you add it on to their budget, if you get it to be absorbed within their 2004 budget, and then they're 2005 budget, obviously there isn't. But certainly 2005 at \$3.2 million is a significant jump.

Alderman DeVries stated so if they either have three quarters of a million or \$3.2 million in supplies and other to give up, they can absorb it, otherwise it gets passed on to the taxpayers. So let me ask you, what are we gaining by dropping to a 30 year rather than... What's the benefit to the taxpayer I think is a better question.

Mr. Sherman replied by moving the debt quicker, by paying it off quicker, and by not borrowing the interest, you're saving interest payments over the life of that debt.

Alderman DeVries asked so over the life of the debt there will be a savings, but to the immediate taxpayers there could be an increase?

Mr. Sherman replied there could be.

Alderman Guinta asked can you Randy talk a little bit about the call provisions also that will be in this plan?

Mr. Sherman replied what we probably will do because we're setting this up as a revenue bond structure, we probably will have a mandatory call provision, which means that at a point that an event happens, it will trigger us to pay off the bonds. Which in essence all that will force us to do is go out and refinance the debt. That probably will be set at that 10-year mark, where the sending towns have the ability to walk away from it. That's where we'd have a mandatory redemption. But again, what that would do, because that debt would then fall on to the City side, we would then just go back out and issue it as GOs and do it quicker.

And again, you could take the debt and again reconfigure it, restructure it so again it fits whatever flow that you would like over the remaining 20 years.

Alderman Guinta asked and how does the debt service chart...if you could just re-explain... I know there's a concern with the \$3.2 million in 2005, when you relate that to the debt service chart, how does the debt service chart help the situation for 2005?

Mr. Sherman replied the 2005 number is just slightly below the 2004 number. They're pretty level, but in 2006 the School District's fiscal year conversion bond goes away, and that then creates about a \$3 million to \$4 million dip in their debt services. So while we see a large spike in 2005, we're going to see that same drop off come 2006. And then after that again, because of the way we've structured it, it does go out. If I could say one other thing back to Alderman DeVries, the other benefit that you do receive is again, we've added capacity to do other projects because we've taken it out to 30 years, and that picks up \$600,000 worth of debt.

Alderman Lopez stated I know some conversations went on, but I'd like to have the School Board weigh in on this since new numbers were thrown at us from the Finance Officer and apparently some last minute negotiations...if they're satisfied with the...and maybe the Superintendent or Finance people or the Chairman, Donovan since you're the expert on finances. Do you agree with this? Is this going to put more debt on the school side in reference to...?

Mr. Donovan stated our preference was the Finance Department's original plan, which is at level debt financing over the 25 years. That was our preference because it wouldn't affect our \$9 plus million of debt service. However, we are willing to go along with this plan and we will work with this plan.

Alderman Garrity asked a question for Tom Donovan again or Leslie Stewart the Vice Chair. The increase in your fiscal 2004 budget is going to be \$764,000? Is that right?

Mr. Donovan replied no, and that gets more complicated. We believe the fiscal impact to us will be \$200,000.

Alderman Garrity asked how does that happen?

Mr. Sherman replied it's what we're going to try to do, in order to come up with the \$764,000 is having Tim Clougherty work with the School District to find that money somewhere between the school's operating budget or the project. If Tim can go back into the project and say for example, the insurance program has gone out to bid and there's \$100,000 left, he can now take that \$100,000 he doesn't need it in the project anymore, we can use it to pay back the debt service. And go through those line items and see if he can

squeeze some money out of there. What he can't squeeze out of there, the School District's going to have to find in their numbers.

Alderman Garrity stated the School District was in front of the Board of Mayor and Aldermen about two weeks ago and they said we've got to have the \$127.1 or whatever it was, we can't do any less than that, we're going to have to cut this, we're going to have to cut that, we've got to lay off 25 people. Now we're being told that you're responsible for an additional \$200,000 in debt service. It's up to the School Board. The Aldermen are just responsible for the bottom line, is that saying that the School Board is going to cut supplies and things of that nature?

Mr. Donovan stated I'd like to answer that Alderman Garrity. I'll tell you where we're going to come up with that \$200,000. \$100,000 we're going to be able to come up with because there's some unused bonding capacity from the schools that's just sitting there, and we're going to use \$100,000 of that to bond for school buses. We need to buy new school buses, and I understand that assuming there's a vote to approve the transfer of that old bond money that's sitting there from unused money from other projects, we will use that. There's \$100,000 right there. The other \$100,000 is going to come from books, and we're going to make a decision on our School Board side that this school project is frankly more important than having books in the short term. So, that's the decision we've made.

Alderman Garrity stated Randy you stated that Tim Clougherty's going to try to squeeze some bondings and things...if that doesn't happen. But there could be \$300,000 that the School District has to contribute?

Mr. Sherman replied it could be.

Alderman Garrity asked so that's more books?

Mayor Baines stated again, we're going to make an effort. We've talked to Tim and Frank and we feel we can make it work by doing that.

Alderman Garrity stated Okay, but when I get a call because a student doesn't have a book, I want to make sure that I have the reason why.

Mr. Sherman stated I think that's one of the reasons too that Aldermen 1 and 3 want a handle on the contingency dollars. I think we want to go into this project realizing that that contingency is sacred. You better have a good reason to touch it before it goes. If it comes down that we need \$50,000 here, maybe that's where it comes from for starters, just to make it all work for that first year.

Alderman Guinta stated I too would agree that we plan on making every effort not to take \$100,000 from a line item for books, to get \$110 million or \$105 million or a \$99 million project done. The object here is to achieve for the City of Manchester not only top notch schools, but top notch teachers, top notch curriculum and I think we're making a very large step forward towards that goal, and we're doing it as quickly and as efficiently as we possibly can. I would commend the work of the Finance Department, the Aldermen, the School District, the School Board. I think that there are a number of people who have a number of different ideas in how to accomplish this goal, and the important thing is we had two different boards, several City departments bond counsel, working together to try to create something and craft something that we all agree achieves the ultimate goal. Which is providing a better learning environment for our students. I'm proud of that. It was a difficult process, but we got it done, and it may not have been able to happen two, three, four, five years ago. And I'd like to focus on the goal that we're achieving. Everyone in this room seems to be in favor of fixing our schools, and I think that we have finally come up with a solution to that. So with that Your Honor, I would move to amend the motion to...

Deputy City Clerk Johnson stated we need to get a motion to read by title only to get the resolution on the floor.

Mayor Baines stated a motion would be in order to read by title only.

Bond Resolution:

“Authorizing Bonds, Notes or Lease Purchases up to the Aggregate Principal Amount of One Hundred Ten Million Dollars (\$110,000,000), Which May Be Issued As General Obligation Bonds, Notes or Lease Purchases, Municipal Revenue Bonds, Notes or Lease Purchases or Any Combination of the Foregoing as the Mayor and Finance Officer May Determine, to Finance Costs Associated with the Manchester Schools Improvement Program and for the Payment of all Other Costs Incidental and Related Thereto.”

On a motion of Alderman O'Neil, duly seconded by Alderman Smith, it was voted to read the resolution by title only, and is was so done.

Deputy City Clerk Johnson stated amendments would now be appropriate, Your Honor.

Alderman Guinta moved to amend the resolution to read that capital costs not to exceed \$99.35 million and contingency not to exceed \$5.65 million for a total of \$105 million. Alderman Thibault duly seconded the motion.

Alderman Wihby stated Your Honor, I guess I was doing fine until I heard that the \$100,000 is coming from books. We always try to put the scare out there. There's professional services that went up, there's a rental of land and building, repairs and maintenance has gone

up, maybe we're doing something that's in that budget that's a quote. I just get upset Your Honor when someone tries to just...well we're taking it out of books. Now I was fine until we got to that. Out of a \$128 million and we have to say we're going to get it out of books. We can't say we're going to watch our dollar and watch the budget and look at everything, we've got to say we've got to take it out of books. I guess that's...Your Honor I don't even know if I'll vote for this project because of comments like that. I thought we had an agreement that we were going to work on this together, and to come out with a comment like that...

Superintendent Ludwell stated the comment about books is, maybe that's an easy way to say it. What I did say was, that if we have to take \$100,000 out of our budget, it is not coming from fluff. It will come from some hard item that we need to operate the school. It may be a combination; it may be maintenance that we didn't perform that we had intended to. It could be repairs, it could be books. Whatever it comes from, and there is no threat intended, is from a much-needed area or areas.

Mayor Baines stated could we say that we are going to make every effort to try to make sure that it does not come from text books, and look at all the different other avenues that might be available. I think that's what's important.

Superintendent Ludwell responded absolutely.

Alderman Guinta stated I know that this has been a contentious debate. I share some of the concerns that Alderman Wihby poses, and I also agree that hard choices will have to be made. This is not an easy job. This is not an easy process, but we're here to do the best that we can to try to provide a first rate institution and I think that within a few minutes we're about to do that. And everybody should go home tonight saying that the City government in Manchester has made a firm commitment to our City schools, and I suspect that over the next year or two, because I've had conversations with some of the School Board members about addressing the school book issue, and I think we will be. There are going to be curriculum changes, curriculum requirements that address that issue and we'll do the best that we can to make appropriate funding at a future date when the School Board is ready to put that curriculum in place. I would also add that I would require a request of roll call.

Deputy City Clerk Johnson stated Your Honor I'd just like to clarify that the amendment on the floor would reduce the resolution to a total of \$105 million, with capital costs not to exceed \$99.35 million, and contingency in the amount of \$5.65 million.

Alderman Shea stated this evening all I've heard about is how much money we're going to save, I didn't hear one thing about how important education really is. No one spoke about how important the classroom teacher is, no one spoke about how important the relationship between the principal and the students might be, we only spoke how important it is to spend

money or not to spend money because putting additions on to schools are so important. I realize that the intent tonight is to get through this project at any cost, and those of us that don't vote for this are not against education. Philosophically, in other words, I pull no deals. Philosophically I am against this because I think, and I reason that the emphasis is on the wrong priorities as far as the school is concerned. Now, better minds than mine have said no this is not the case, but believe me within the next three to five years we'll still have open concepts, we'll still have portables, we'll still have kids over at Easter Seal, and we'll have empty rooms in buildings because the people from Bedford and other communities are going to smarten up and say we're not going to pay all this money over the course of so many years. But Your Honor, you're always sort of...what is going to come out of this mouth from this Aldermen, and tonight Your Honor I have a saying that I want to give to you. I was speaking to a wise old counselor and I said well, what should I say at this meeting tonight, and he gave me a little pottery and what he said was, "And Your Honor, I can only please one person a day. Today is not your day, tomorrow doesn't look good either." Thank you.

Mayor Baines stated the only thing I'd like to correct you on, and I want to commend Alderman Guinta in particular, he made some very nice statements about the improvements of education, the quality of education, the importance of students, and the importance of teachers, I think that was on the record and I want to commend him for making those comments. But thank you Alderman Shea.

Alderman DeVries stated I just want to pursue a little bit further the discussion for the 2005 budget where we will be absorbing the \$3.2 million. Have we worked those numbers to see what we actually will be absorbing? Is it going to be \$3.2 million or will it be reduced as the \$764,000 went to \$200,000 this year? Have you worked those numbers through?

Mr. Sherman replied no. The last run that I did was Friday and it was at the \$3.2 million number.

Alderman DeVries asked is that going to improve any of the reimbursement that we see from the State? Is there going to be any other assistance coming in for the school budget?

Mr. Sherman replied it actually should speed up some of the school building aid dollars.

Alderman DeVries asked so some of that impact might be offset?

Mr. Sherman replied it may not hit in 2005, it may get in 2006 versus 2007, but it should speed that up.

Alderman Garrity stated I'm going to oppose this tonight and I want to make a brief statement. Personally I oppose mega high schools. I don't want my son going to a mega high school. I don't think it's educationally sound. The other thing is, I think this

design/build is built on four surrounding districts for ten years and Bedford has not signed the agreement, so we should be basing it on three surrounding districts and three surrounding districts alone.

Mayor Baines called for a roll call. Voting in the affirmative were

A roll call vote was taken on the motion to amend the resolution. Aldermen Guinta, Sysyn, Osborne, Pinard, O'Neil, Lopez, DeVries, Smith, Thibault, Forest and Wihby voted in the affirmative. Aldermen Shea and Garrity were duly recorded in opposition.

Deputy City Clerk Johnson informed the Mayor the Board needed to go back to the main motion and that would be to enroll the bond resolution as amended.

On a motion of Alderman O'Neil, duly seconded by Lopez, it was voted

Alderman O'Neil so moved to enroll the bond resolution as amended. Alderman Lopez duly seconded the motion. The motion carried with Aldermen Shea and Garrity duly recorded in opposition.

Mayor Baines stated first of all my challenge to Gilbane is to deliver a quality project on budget, on time, replicate the success that you've had with other projects. I want to personally commend everyone involved with this project. This has been the art of compromise at its very best, went to work today and over the past several days, I want to thank everyone who pitched in to bring a very thoughtful and financially sound resolution to this issue that has lingered this City and this School District for decades. A lot of people deserve thanks, but the two gentlemen that in front of you right now, particularly, along with Joanne Shaffer from the Finance Department, really have done yeomen's work in crafting what I believe is one of the most innovative projects of its kind in the nation. Also Tim Clougherty, under the guidance of Frank Thomas, as Frank said earlier, Tim has been a wonderful asset to this project. I think when people look back on the history of how this happened in Manchester, Tim's name is going to be at the center of that. All the people from the staff, the individual Aldermen who participated in crafting this solution, including some who were mentioned very prominently today that helped us find a balance to this project. The Chairman, Alderman O'Neil, who has been at the center of every conversation and every effort to bring about this solution to this project tonight. A job well done. The beneficiaries of all this will be the children of our City. Not only the children in our school system, but as Alderman Thibault pointed out today, generations of young people in this City are going to look back on this Board, at this historic moment, job well done, the right project, the right time, congratulations. We stand tall on behalf of the citizens of Manchester this evening. Thank you very much for your vote.

This being a special meeting of the Board, no further business was presented, and on a motion of Alderman Smith, duly seconded by Alderman Garrity, it was voted to adjourn.

A True Copy. Attest.

City Clerk